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CFO

FORWARD-LOOKING STATEMENTS & NON-GAAP REPORTING

This presentation includes **forward-looking statements** within the meaning of the U.S. federal securities laws, including, without limitation, statements regarding: key product categories, growth opportunities, long-term growth, investments for growth, managing risk, three-year performance estimates in net sales, gross margin, operating expenses, operating margin and operating profit, cash flow, capital allocation priorities, acquisitions, dividends, share buybacks, financial outlook for fiscal years 2020 and 2021 and related assumptions, the effect of the coronavirus, growth expectations by product category, long-term financial model and strategy, and long-term targets for revenues, gross margin and operating margin. These statements are subject to risks and uncertainties that may cause actual results and events to differ materially, including without limitation: if our product offerings, marketing activities and investment prioritization decisions do not result in the sales, profitability or profitability growth we expect, or when we expect it; if we fail to innovate and develop new products in a timely and cost-effective manner for our new and existing product categories; if we do not successfully execute on our growth opportunities or our growth opportunities are more limited than we expect; the effect of pricing, product, marketing and other initiatives by our competitors, and our reaction to them, on our sales, gross margins and profitability; if our products and marketing strategies fail to separate our products from competitors' products; if we are not able to maintain and enhance our brands; if we do not fully realize our goals to lower our costs and improve our operating leverage; if there is a deterioration of business and economic conditions in one or more of our sales regions or product categories, or significant fluctuations in exchange rates; changes in trade policies and agreements and the imposition of tariffs that affect our products or operations and our ability to mitigate; risks associated with acquisitions; risks associated with international operations; risks associated with manufacturing and doing business in China and Southeast Asia; risks associated with purchasing key components and products from a limited number of sources. These and other risks and uncertainties are detailed in Logitech's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended March 31, 2019 and our Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2019, available at www.sec.gov, under the caption Risk Factors and elsewhere. Logitech does not undertake any obligation to update any forward-looking statements to reflect new information or events or circumstances occurring after the date of this presentation.

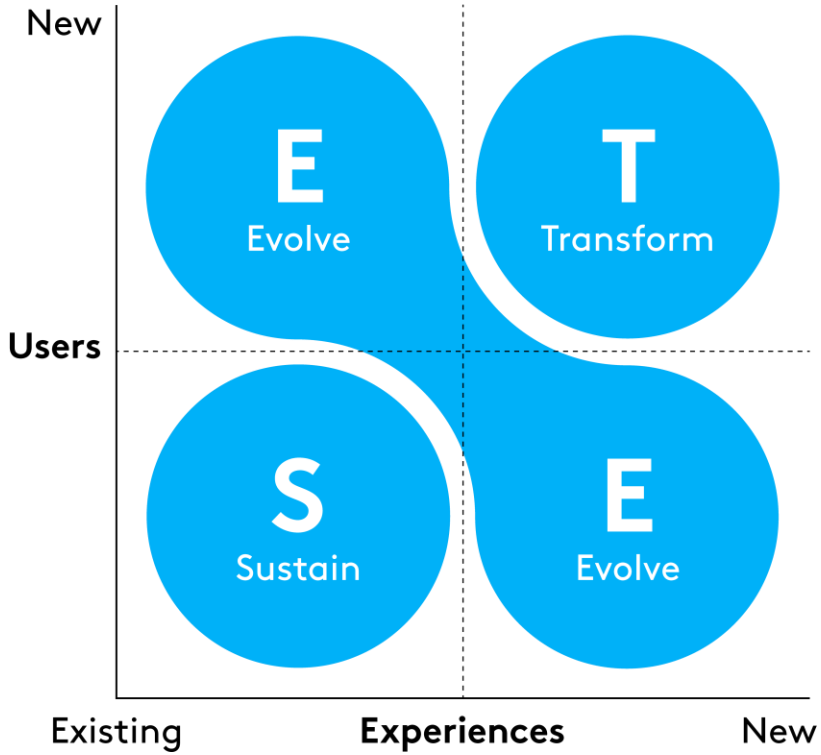
To facilitate comparisons to Logitech's historical results, we have included **non-GAAP adjusted measures** in this presentation, which exclude primarily share-based compensation expense, amortization of intangible assets, purchase accounting effect on inventory, acquisition-related costs, restructuring charges (credits), loss (gain) on investments, non-GAAP income tax adjustment, and other items detailed under "Supplemental Financial Information" in our quarterly earnings press release and posted to our website at http://ir.logitech.com. Historical GAAP and corresponding non-GAAP measures are provided with our earnings releases and presentations in the Investors section of our website. We also present percentage sales growth in constant currency ("CC") to show performance unaffected by fluctuations in currency exchange rates. Percentage sales growth in constant currency is calculated by translating prior period sales in each local currency at the current period's average exchange rate for that currency and comparing that to current period sales. Logitech believes this information will help investors to evaluate its current period performance, outlook and trends in its business. For historical financials provided in this presentation, reconciliation between non-GAAP amounts and GAAP amounts is provided on the Investors page of our website, together with this presentation and with our earnings releases. With respect to financial outlook and projections, most of the excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy. Therefore, no reconciliation to GAAP amounts has been provided for non-GAAP outlook or projections.


Creativity &
Productivity


Video
Collaboration


Gaming

INVESTING FOR LONG-TERM GROWTH



New Product Introductions (NPIs) are categorized across multiple dimensions – focusing on the User and Experience

SUSTAIN are refreshes of our existing product lines – new markets

EVOLVE improves upon our existing innovations and features – new users

TRANSFORM are completely new products that target new categories or expands market and users



Creativity &
Productivity



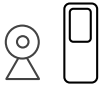
Video
Collaboration



Music



Gaming



Home

CATEGORY



COUNTRIES

BENEFITS OF BROAD DIVERSIFICATION

B2C



DTC
.com



Retail
stores



eTail

B2B



Channel
Partners &
Distributors



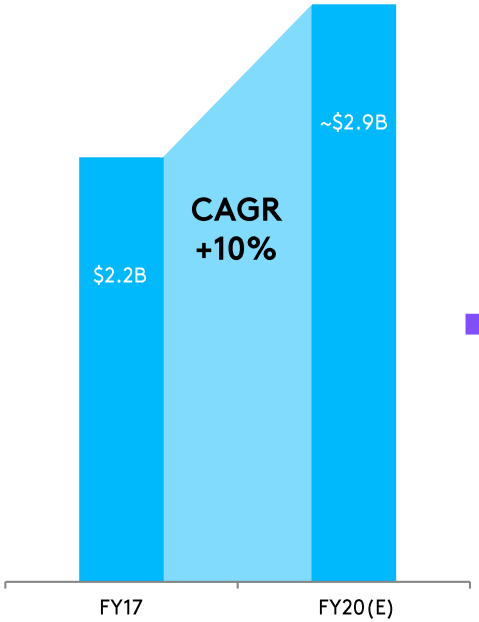
Direct to
Enterprise



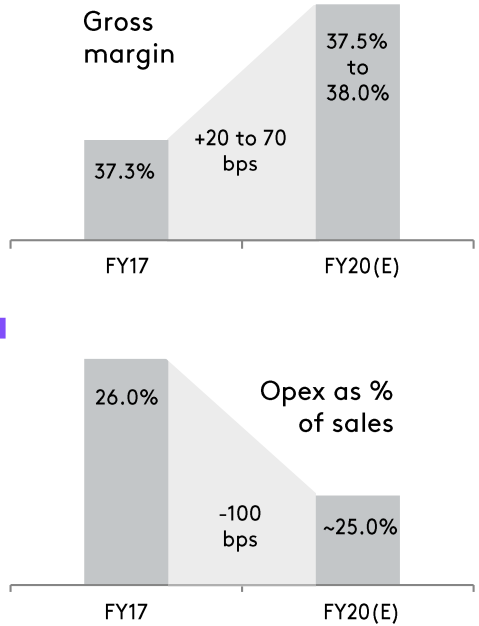
Direct to
Education

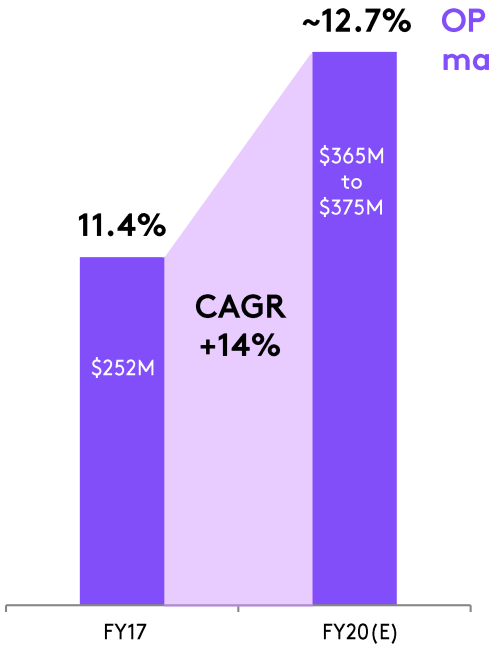
CUSTOMERS

ROBUST COMPOUNDED FINANCIAL PERFORMANCE



Net sales

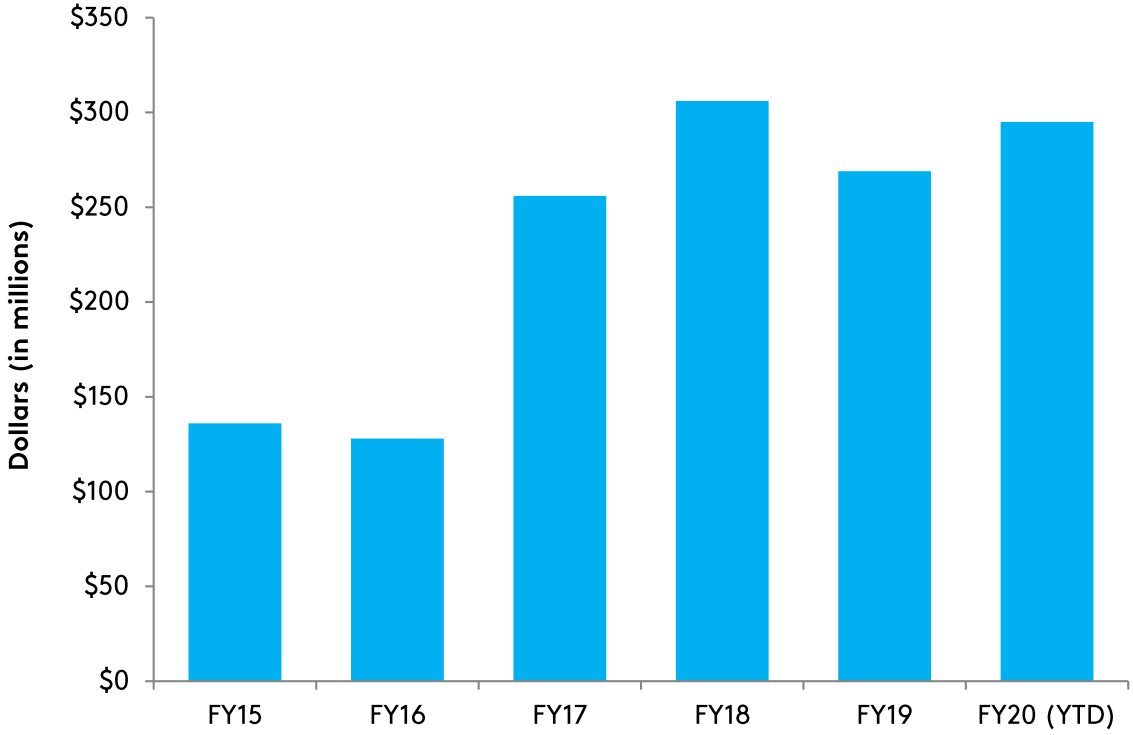




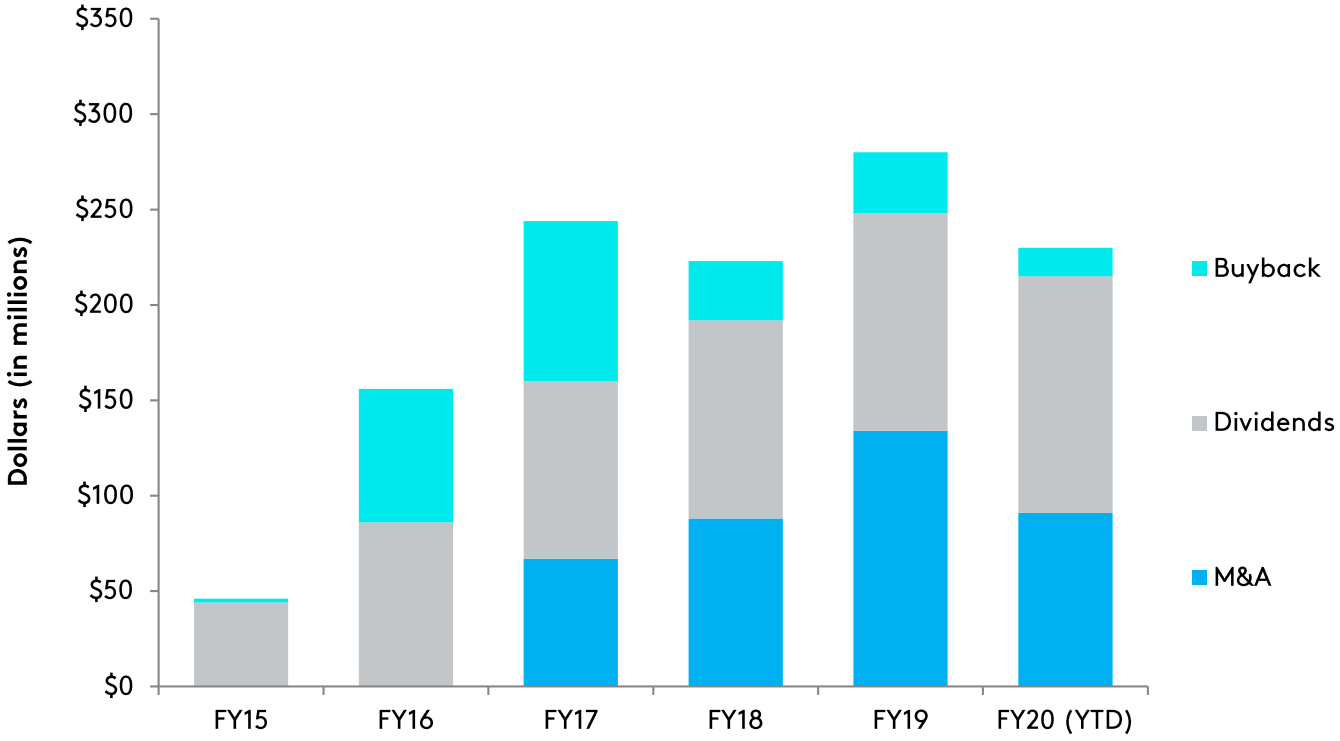
Non-GAAP operating profit

Note: FY20(E) figures are at the midpoint of guidance. Net sales are in billions. Gross margin and opex as non-GAAP figures. Non-GAAP operating profit $ are in millions.

STRONG FREE CASH FLOW GENERATION …



… AND CONSISTENT CAPITAL ALLOCATION PRIORITIES





FINANCIAL OUTLOOK



FISCAL YEAR 2021 OUTLOOK

FY 2021 OUTLOOK	
Sales growth	**Mid-single digit**
Non-GAAP operating income	**$380 – 400M**

ASSUMPTIONS	
Coronavirus impact	Supply challenges drive revenue/cost pressures in Q1; normalized supply conditions starting in Q2
US/China tariffs	No change to current tariff rates
Currency	FY 2020 average rates
Non-GAAP effective tax rate	8 - 9%
Cash from operations	1x non-GAAP operating income
Capex	$40-50M

Note: Sales growth is in constant currency unless otherwise noted.

FISCAL YEAR 2021 GROWTH EXPECTATIONS

CATEGORY OUTLOOK	GROWTH
Creativity & Productivity	**Low-single digit**
Video Collaboration	**25 - 30%**
Gaming	**10 - 15%**
Music	**Flat to down 10%**
Smart Home	**Too small to matter**

Note: Sales growth is in constant currency unless otherwise noted.

OUR LONG-TERM FINANCIAL STRATEGY IS CLEAR

Revenues	High-single digit growth
Gross margin	36 to 40%
Operating margin	11 to 14%

Deliver the growth potential of our three largest categories

Transform business to a more pull-driven model

Reinvest gross profits to fund investments for the long-term

Develop other recurring, higher margin revenue streams

Maintain a disciplined capital allocation across M&A, dividends, and buyback

Note: Figures are non-GAAP. Sales growth is in constant currency unless otherwise noted.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